

**ASSEMBLY BILL**

**No. 754**

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**Introduced by Committee on Public Employees, Retirement, and  
Social Security (Hernandez (Chair), Mullin, Soto, and Torrico)**

February 22, 2007

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An act to amend Section 20037.11 of the Government Code, relating to state employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 754, as introduced, Committee on Public Employees, Retirement, and Social Security. State employees' retirement: final compensation.

The Public Employees' Retirement Law prescribes the rights and benefits of members of the Public Employees' Retirement System. Under existing law, certain retirement benefits for a state member of the Public Employees' Retirement System are based, in part, on the member's final compensation, as defined. Existing law defines final compensation for a person who becomes a state member of the system on or after January 1, 2007, and is represented by a certain state bargaining unit, as specified.

This bill would make a technical, nonsubstantive change to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 20037.11 of the Government Code is  
2     amended to read:

1     20037.11. (a) Notwithstanding Sections 20035 and 20037,  
2     final compensation for a person who becomes a state member of  
3     the system on or after January 1, 2007, and *who* is represented by  
4     State Bargaining Unit 10, means the highest average annual  
5     compensation earnable by the member during the consecutive  
6     36-month period immediately preceding the effective date of his  
7     or her retirement, or the date of his or her last separation from state  
8     service if earlier, or during any other period of 36 consecutive  
9     months during his or her state membership that the member  
10    designates on the application for retirement.

11    (b) This section applies to service credit accrued while a member  
12    of State Bargaining Unit 10.

13    (c) This section does not apply to:

14    (1) Former state employees previously employed before January  
15    1, 2007, who return to state employment on or after January 1,  
16    2007.

17    (2) State employees hired prior to January 1, 2007, who were  
18    subject to Section 20281.5 during the first 24 months of state  
19    employment.

20    (3) State employees hired prior to January 1, 2007, who become  
21    subject to representation by State Bargaining Unit 10 on or after  
22    January 1, 2007.

23    (4) State employees on an approved leave of absence employed  
24    before January 1, 2007, who return to active employment on or  
25    after January 1, 2007.